

Nuts-n-Bolts of Redeveloping Brownfields for Local Government
August 28, 2007

Environmental Site Assessments:

A Public Agency Perspective



St. Louis Development Corporation

SLDC is a private, non-profit organization that is responsible for business creation, attraction and retention, major project development, and the provision of development incentives authorized by State statute.



St. Louis Development Corporation

SLDC staffs the following State-authorized authorities and agencies related to development in the City:

LCRA, LRA, Port Authority, PIEA, IDA, LDC and TIF Commission



Agencies Directly Involved in Brownfields Redevelopment

- **Land Clearance for Redevelopment Authority**
- **Land Reutilization Authority**



Land Clearance for Redevelopment Authority

LCRA recommends development incentives such as tax abatement, tax-exempt revenue bonds, and eminent domain for commercial, industrial, and residential projects in redevelopment areas approved by the St. Louis Board of Aldermen.



Land Reutilization Authority

LRA receives title to all tax delinquent properties not sold at the Sheriff's sale. Also receives title to properties through donations. The SLDC Real Estate Department maintains, markets, and sells these properties and performs land assemblage for future development.



Why Do We Conduct Phase I and Phase II ESAs ?

- **Knowledge is power**
- **Understand environmental issues**
- **Provide a defense for cleanup liability**
- **Give comfort/reduce risk to developers**
- **Estimate cleanup costs**



Who are the Drivers?

- **Lenders**
- **Business Attorneys**
- **Informed Property Managers**
- **Regulatory Agencies**



What is a Phase I ESA?

- **Non-intrusive study that determines whether additional investigation is necessary**
- **Provides baseline information for establishing an “innocent landowner” defense**
- **Should conform with ASTM E-1527-05
*Environmental Site Assessments: Phase I
Environmental Site Assessment Process***



Phase I ESA Components

- **Phase I Environmental Site Assessment**
 - **Per ASTM Standard E1527-05**
 - Interviews
 - Regulatory Database Review
 - Historical Evaluation
 - Site Inspection
 - Identifies Recognized Environmental Conditions (RECs)
 - “All Appropriate Inquiry” standard requires more interviews and environmental lien search; defines “environmental professional”



Recognized Environmental Conditions (RECs):

- **Abandoned Structures/Foundations**



Recognized Environmental Conditions (RECs):

- Chemical Containers



Recognized Environmental Conditions (RECs):

- Petroleum Storage Tanks (USTs/ASTs)



Recognized Environmental Conditions (RECs):

- Transformers/electrical equipment



Recognized Environmental Conditions (RECs):

- Drains and sumps



Recognized Environmental Conditions (RECs)

- Pits/Ponds/Lagoons



Recognized Environmental Conditions (RECs)

- **Monitoring Wells**



Recognized Environmental Conditions (RECs)

- Visual Indications
- History of Industrial/Commercial Use
 - Fire Insurance Maps
 - Directories
 - Various Local Government Records
- Appearance on Regulatory Database(s)
- Prior Environmental Reports

Phase I ESA Add-Ons

- **“Non-Scope” Items:**
 - **Wetlands**
 - **Lead-Based Paint**
 - **Mold**
 - **Asbestos**



What is a Phase II ESA?

Sampling: Based on Phase I RECs; most likely areas of concern (media collection)



What is a Phase II ESA?

- **Testing:** Laboratory analysis for the most likely contaminants



Phase II Add-ons

- **Geotechnical evaluation**
 - establish soil type
 - confirm soil can support foundations
- **Wetlands delineation**
- **Geophysical evaluation**



Other Phase II Thoughts:

- It is o.k. to ask the consultant to provide the rationale used to justify sample locations, matrices, and analytical parameters
- Phase II report may indicate need for additional testing, remediation



If Site is Contaminated....

- Reduce price of property
- Provide incentives to off-set costs
- Risk-Based Corrective Action (RBCA)
- Initiate the cleanup



Funding Sources

- SLDC Operating Funds
- Land Sale Proceeds
- EPA Grants
- EPA/MDNR BTAs
- Loans
- Remediation Tax Credits



Contracting for a Phase I ESA

- Professional Services; Qualifications-Based Selection (QBS)
- Short list of qualified environmental consultants
- Request proposal; ASTM Standard E1527-05
- Negotiation factors: ability to meet schedule and fair and reasonable price



Contracting for a Phase II ESA

- Professional Services; QBS
- Short list of qualified environmental consultants or advertise RFQ
- Request proposal; it's a negotiated process
- Negotiation factors: capacity to perform, technical approach, fair and reasonable price, etc.



Contracting for a Phase II ESA

- **Typical proposal contents:**
 - **Site description/background**
 - **Any previous reports/maps/etc.**
 - **Project objective(s)**
 - **Scope of services required**
 - **Proposal requirements and format**
 - **Other pertinent information**



Bottom Line Suggestions:

- **Make sure consultant understands who you are and what you need**
- **Accurate site information a must**
- **Insist on analysis and not simply a “data dump”**



Certain Sites May Not Be Compatible with Certain Funding Sources:

- **Superfund**
- **CERCLA**
- **RCRA**
- **Petroleum**
- **Asbestos and Lead Paint**



Type of Funding Can Trigger Additional Requirements

- **Does HUD Recognize RBCA?**
- **EPA**
 - **M/WBE Goals**
 - **Quality Assurance Project Plans**
 - **Myriad of Federal Contracting Regulations**



Value Added Tips

- Request multiple copies of reports
- Request an e-version on CD (PDF)
- Request jpegs of all images
- Develop good filing system



Questions???



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